

ORIGINAL



**BEFORE THE ARIZONA POWER PLANT
AND TRANSMISSION LINE SITING COMMITTEE**

In the matter of the Application of Southline Transmission, L.L.C., in conformance with the requirements of Arizona Revised Statutes 40-360, et seq., for a Certificate of Environmental Compatibility authorizing construction of the non-WAPA-owned Arizona portions of the Southline Transmission Project, including a new approximately 66-mile 345-kV transmission line in Cochise County from the Arizona-New Mexico border to the proposed Southline Apache Substation, the associated facilities to connect the Southline Apache Substation to the adjacent AEPCO Apache Substation, and approximately 5 miles of new 138-kV and 230-kV transmission lines and associated facilities to connect the existing Pantano, Vail, DeMoss Petrie, and Tortolita substations to the upgraded WAPA-owned 230-kV Apache-Tucson and Tucson-Saguaro transmission lines in Pima and Pinal counties

Docket No. L-00000AAA-16-0370
-00173

Case No. 173

RECEIVED
AZ CORP COMMISSION
DOCKET CONTROL
2016 NOV 15 P 3:48

NOTICE OF FILING COMMENTS OF WESTERN AREA POWER ADMINISTRATION

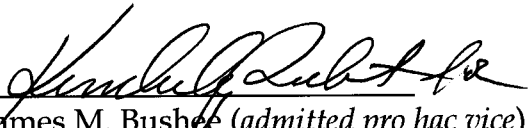
Applicant Southline Transmission, L.L.C. ("Southline") hereby files a copy of Comments of Western Area Power Administration ("WAPA"). See Exhibit A attached hereto.

Arizona Corporation Commission
DOCKETED
NOV 15 2016

DOCKETED BY 

1 RESPECTFULLY SUBMITTED this 15th day of November, 2016.

2
3 By:


James M. Bushee (*admitted pro hac vice*)
Texas State Bar No. 24015071
James E. Guy (*admitted pro hac vice*)
Texas State Bar No. 24027061
Marty Hopkins (*admitted pro hac vice*)
Texas State Bar No. 24059970
SUTHERLAND ASBILL & BRENNAN LLP
600 Congress Avenue, Suite 2000
Austin, Texas 78701-3238
(512) 721-2700 (Telephone)
jim.bushee@sutherland.com
james.guy@sutherland.com
marty.hopkins@sutherland.com

12
13 Meghan Grabel, No. 021362
14 Kimberly A. Ruht, No. 027319
15 OSBORN MALEDON PA
16 2929 North Central Ave. 21st Floor
17 Phoenix, AZ 85012-2793
18 (602) 640-9399 (Telephone)
19 mgrabel@omlaw.com
20 kruht@omlaw.com

21 *Attorneys for Southline Transmission, L.L.C.*

22 ORIGINAL and 25 copies filed
23 this 15th day of November, 2016, with:

24 Docket Control
25 Arizona Corporation Commission
26 1200 West Washington Street
27 Phoenix, Arizona 85007
28

1 COPIES were delivered by U.S. Mail
2 this 15h day of November, 2016, to:

3 Chairman Thomas Chenal
4 Arizona Power Plant and Transmission Line Siting Committee
5 Attorney General's Office
6 1275 West Washington Street
7 Phoenix, Arizona 85007

8 Janet Wagner
9 Arizona Corporation Commission
10 1200 West Washington Street
11 Phoenix, Arizona 85007

12 Thomas Broderick
13 Director, Utilities Division
14 Arizona Corporation Commission
15 1200 West Washington Street
16 Phoenix, Arizona 85007

17 Robert Lynch
18 340 E. Palm Lane, Ste 140
19 Phoenix, AZ 85004-4603

20 Cedric I. Hay, Deputy County Attorney
21 Pinal County Attorney's office
22 P.O. Box 887
23 Florence, AZ 85132

24 By:



25
26
27
28

EXHIBIT A



Department of Energy
Western Area Power Administration
Desert Southwest Customer Service Region
P.O. Box 6457
Phoenix, AZ 85005-6457

November 15, 2016

Arizona Corporation Commission
Phoenix Docket Control Center
1200 West Washington
Phoenix, AZ 85007

Re: Docket No. L-00000AAA-16-0370-00173 (Southline Transmission)

Dear Arizona Power Plant and Transmission Siting Committee:

The Desert Southwest Region (DSW) of the Western Area Power Administration (WAPA) respectfully submits this letter to the Arizona Power Plant and Transmission Siting Committee (Committee) to inform the Committee of WAPA's proposed role in the Southline Transmission Project (Project) and perceived benefits associated with the Project.

WAPA is one of four Federal power marketing administrations under the U.S. Department of Energy. WAPA markets and transmits wholesale hydroelectric power generated at Federal dams across the western United States. WAPA owns and operates an integrated 17,000 circuit-mile, high voltage transmission system and markets power across 15 western states covering 1.3 million square-miles. WAPA's service area encompasses all of the following states: Arizona, California, Colorado, Nebraska, Nevada, New Mexico, North Dakota, South Dakota, and Utah; as well as parts of Iowa, Kansas, Montana, Minnesota, Texas, and Wyoming.

The proposed Project would include the construction of approximately 240 miles of new double-circuit 345-kV transmission line (New Build Section), and the upgrade of approximately 120 miles of WAPA's existing Saguaro-Tucson and Tucson-Apache 115-kV transmission lines to a double-circuit 230-kV transmission line (Upgrade Section). As proposed, the Project contemplates a public-private endeavor between Southline Transmission, L.L.C. and WAPA. Under this arrangement, WAPA, after consulting with customers and other stakeholders, would construct and continue to own and operate the Upgrade Section. Southline would construct, own, and operate the approximately five miles of new transmission lines and associated facilities needed to connect the WAPA-owned portion of the Upgrade Section to existing substations owned and operated by Arizona load-serving utilities and the approximately 67 miles of the New Build Section in Arizona. The Project contemplates that WAPA would work cooperatively with Southline and affected property owners to obtain land rights for both the New Build Section and Upgrade Section.

If constructed, the proposed Project is likely to create value for WAPA's customers and others by: (1) improving reliability; (2) relieving existing congestion; (3) helping meet electrical demand growth; and (4) leading to further development of renewable generation. First, the

Upgrade Section of the proposed Project would provide approximately 1,000 MW of east-to-west and 430 MW of west-to-east capacity to the regional grid. This additional capacity would provide redundancy to help the grid withstand events that could cause transmission outages. The Upgrade Section would help reinforce the transmission grid in the southwestern United States and facilitate the delivery of safe, secure, reliable, and affordable energy and transmission services today and well into the future. Next, by adding additional transmission capacity in Arizona, the proposed Project would mitigate existing and anticipated future congestion in Arizona. Further, the Project is designed not only to meet existing demand and transfer needs, but also may facilitate the development of renewable generation sources in the region. The available capacity created by the Project would provide a path to market for this new generation.

WAPA served as a joint lead Federal agency, along with the Bureau of Land Management (BLM), on the Environmental Impact Statement (EIS) prepared on the Project, and issued a Record of Decision in which it selected the Agency Preferred Alternative identified in the EIS as the route for the Project. The proposed route which Southline is seeking approval follows the route selected by WAPA and BLM as part of the National Environmental Policy Act (NEPA) process undertaken on the Project.

If constructed, WAPA anticipates that the proposed Project would provide some significant benefits to WAPA and its customers in the Desert Southwest Region, most notably, access to capital for replacing aged infrastructure, a rebuilt transmission line that would extend the life of the line indefinitely, and the possibility of obtaining additional capacity rights (beyond its existing capacity rights on the Upgrade Section).

WAPA appreciates the opportunity to provide this letter to the Committee, and hopes it is helpful in advancing the Committee's consideration of this project.

A handwritten signature in black ink, appearing to read "Ronald E. Moulton".

Ronald E. Moulton,
Senior Vice President and
DSW Regional Manager